

STATE OF WASHINGTON

Phone: (360) 725-7000



OFFICE OF
INSURANCE COMMISSIONER

In the Matter of

No. D06-340

LIBERTY LIFE ASSURANCE
COMPANY OF BOSTON,

CONSENT ORDER
IMPOSING A FINE

An Authorized Insurer

Findings of Fact:

1. Liberty Life Assurance Company of Boston ("LLACB") is authorized to conduct insurance business in Washington State. It issues life and disability insurance.
2. LLACB electronically filed its calendar year 2004 Annual Statement with the Office of the Insurance Commissioner ("OIC") on February 25, 2005, but the Separate Accounts Statement arrived corrupt and was unusable.
3. LLACB filed the 2004 Separate Accounts Statement with the OIC on May 16, 2005
4. LLACB electronically filed its calendar year 2005 Annual Statement with the OIC on March 1, 2006, but did not file the accompanying paper signature page for the Separate Accounts Statement and Statement of Non-Guaranteed Elements until May 15, 2006.
5. LLACB failed to complete filing its calendar year 2005 Audited Financial Statement with the OIC.

Conclusions of Law:

1. LLACB's failure to timely file complete calendar year 2004 and 2005 Annual Statements and 2005 Audited Financial Statement with the OIC constitutes three violations of RCW 48.05.250.
2. RCW 48.05.185 authorizes the Commissioner to impose a fine in lieu of or in addition to the suspension or revocation of an insurer's certificate of authority.

Consent to Order:

LLACB consents to the following, in order to resolve this matter without further legal or administrative proceedings. The Insurance Commissioner consents to resolve this matter in consideration of LLACB's payment of a fine as set forth below.

1. LLACB consents to the entry of the foregoing Findings of Fact and Conclusions of Law, and acknowledges its duty to comply fully with all applicable laws and regulations of the State of Washington. It waives further administrative or legal challenge to the actions taken by the Insurance Commissioner that are related to the subject matter of this Order.

2. Within thirty days of the entry of this Order, LLACB will pay to the Insurance Commissioner a fine in the amount of \$1,375 (one thousand three hundred seventy five dollars).

3. Failure to pay the fine in full within thirty days of the entry of this order will constitute grounds for revocation of the certificate of authority held by LLACB in Washington State. It will also result in a civil action being brought by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

Executed this 8 day of DECEMBER, 2006.

LIBERTY LIFE ASSURANCE COMPANY OF BOSTON

By: Douglas Wood

Printed Name: DOUGLAS WOOD

Printed Corporate Title: CHIEF FINANCIAL OFFICER

Pursuant to the foregoing Findings of Fact, Conclusions of Law, and Consent to Order, the Insurance Commissioner orders as follows:

Order:

1. Liberty Life Assurance Company of Boston will forthwith file its calendar year 2005 Audited Financial Statement with the OIC.

2. Liberty Life Assurance Company of Boston is ordered to pay, within thirty days of the entry of this order, a fine in the amount of \$1,375 (one thousand three hundred seventy five dollars).

3. Failure to pay the fine timely and in full will constitute grounds for revocation of the certificate of authority held by the insurer in Washington State. It will also result in a civil action being brought by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

Executed this 15th day of December, 2006

MIKE KREIDLER
Insurance Commissioner

By: Marcia G. Stickler
Marcia G. Stickler
Legal Affairs Division